



NPAIHB POLICY BRIEF

FY 2008 IHS Budget Update

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IHS Budget Update: Congress Passes FY 2008 Continuing Resolution

Portland, OR— On Friday, September 25, 2007, Congress finalized work on a continuing resolution (H. J. Res. 52) that will fund FY 2008 government operations through November 16, 2007. The continuing resolution (CR) will hold funding of government operations, including the Indian Health Service (IHS), to the FY 2007 appropriation levels as enacted and amended in FY 2007.

Section 136 of the CR will also extend funding for the State Child Health Insurance Program (SCHIP) by providing \$5.4 billion in FY 2008 and grants authority to redistribute unused FY 2005 SCHIP allotments to those states with estimated funding shortfalls.

The joint continuing resolution, signed by President Bush on September 29th, will only leave seven weeks to finalize work on appropriations. If Congress does not finalize appropriations by the end of the current CR, they will have to pass another CR through at least December 3rd, which is the date they return from the Thanksgiving break. The likelihood of Congress finalizing its work on appropriations by the end of the current CR does not look good. The President has already threatened that he will veto any spending bills (including 9 of the House approved bills) that exceed his recommended spending levels.

The House completed all of its appropriations work on August 5th, by passing its version of the Defense Appropriations bill. The House moved earlier, on June 8th, to pass its Interior & Environment Appropriations bill (H. Rpt. 110-187), which provides \$3.38 billion for IHS programs. The House approved amount is an increase of \$113.7 million more than the President's request. The Senate recommended amounts are very similar and are \$96.7 million more than the President's request. The House budget includes an additional \$15 million for methamphetamine treatment and prevention, \$25 million for the Indian Health Care Improvement Fund, and provides an additional \$20 million to support the facilities accounts. Many of the facilities accounts lost funding when compared to the FY 2007 final enacted budget.

Meanwhile, the Senate has only passed four of its spending bills (Homeland Security, Military/Veterans, State/Foreign Operations, and Transportation/HUD). The Senate has not sent any of its bills to conference with the House and will likely not do so until they complete work on all appropriations bills. It's also unlikely that the House and Senate will send any bills to the President which he has indicated he will veto. Congress' plan will seek to put the Administration in an awkward situation by sending a package of bills to the President that have bipartisan support (Military Construction-VA and Homeland

Security) along with bills that have less Republican support. This will complicate the President's decision to veto. If the President does veto the bills, with bipartisan support on other popular bills, Congress may have enough votes to over-ride the veto.

The veto threats and uncertainty of Senate action mean IHS and Tribal health programs are headed toward another round of continuing resolutions in FY 2008. There won't be a race to the finish line to finalize appropriations and Congress will perhaps pass a series of CR's through February of next year (as they did a year ago).

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